

- (1) by striking "and" at the end of paragraph (4): and
(2) by striking paragraph (5) and inserting the following:
"(5) \$2,800,000,000 for each of the fiscal years 1990 through 1995:
"(6) \$2,381,000,000 for the fiscal year 1996:
"(7) \$2,380,000,000 for each of the fiscal years 1997 through 2002: and
"(8) \$2,800,000,000 for the fiscal year 2003 and each succeeding fiscal year."
(b) AUTHORITY TO USE VOUCHERS.—Section 2002 of such Act (42 U.S.C. 1937a) is amended by adding at the end the following: 42 USC 1937a.
"(f) A State may use funds provided under this title to provide vouchers for services directed at the goals set forth in section 2001, to families, including—
"(1) families who have become ineligible for assistance under a State program funded under part A of title IV by reason of a durational limit on the provision of such assistance: and
"(2) families denied cash assistance under the State program funded under part A of title IV for a child who is born to a member of the family who is—
"(A) a recipient of assistance under the program: or
"(B) a person who received such assistance at any time during the 10-month period ending with the birth of the child."

SEC. 909. RULES RELATING TO DENIAL OF EARNED INCOME CREDIT ON BASIS OF DISQUALIFIED INCOME.

- (a) REDUCTION IN DISQUALIFIED INCOME THRESHOLD.—
(1) IN GENERAL.—Paragraph (1) of section 32(i) of the Internal Revenue Code of 1986 (relating to denial of credit for individuals having excessive investment income) is amended by striking "\$2,350" and inserting "\$2,200".
(2) ADJUSTMENT FOR INFLATION.—Subsection (j) of section 32 of such Code is amended to read as follows:
"(i) INFLATION ADJUSTMENTS.—
"(1) IN GENERAL.—In the case of any taxable year beginning after 1996, each of the dollar amounts in subsections (b) (2) and (i) shall be increased by an amount equal to—
"(A) such dollar amount, multiplied by
"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting "calendar year 1995" for "calendar year 1992" in subparagraph (B) thereof.
(2) ROUNDING.—
"(A) IN GENERAL.—If any dollar amount in subsection (b)(2), after being increased under paragraph (1), is not a multiple of \$10, such dollar amount shall be rounded to the nearest multiple of \$10.
"(B) DISQUALIFIED INCOME THRESHOLD AMOUNT.—If the dollar amount in subsection (i)(1), after being

increased
under paragraph (1). is not a multiple of \$50.
such amount
shall be rounded to the next lowest
multiple of \$50."

(3) CONFORMING AMENDMENT. — Paragraph (2) of section
32(b) of such Code is amended to read as follows: